



15 September 2014

Jemena Gas Networks
(NSW) Ltd
ABN 87 003 004 322

Via email

Mr Hugo Harmsdorf
Chief Executive Officer
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Dear Mr Harmsdorf

Jemena Gas Networks 2015-20 Access Arrangement Proposal – IPART submission

I am writing in response to IPART's submission on Jemena Gas Networks' (JGN) 2015-20 Access Arrangement Proposal (**proposal**), which was submitted to the Australian Energy Regulator (**AER**) on 30 June 2014.

We are pleased that IPART supports our proposal to bring forward the gas network price approval process by one month. It is important to JGN that NSW energy retail markets operate efficiently and effectively, in the interests of our customers.

We note your submission regarding the time available to the AER to approve our prices each year. While a matter primarily for the AER to consider, we are hopeful that the AER's annual assessment of our proposed tariffs is assisted through:

- the proposed enhancements to our tariff variation mechanisms, which support a more transparent annual tariff variation method
- our Tariff Structures Statement (**TSS**), which provides accessible insights into our objectives and the key market considerations in setting our network tariff classes, structures and levels
- our commitments to engage with customers and stakeholders in relation to annual changes in tariff structures and levels.

We welcome further dialogue with IPART during the course of the review. If you or your staff have any questions about our proposal please contact me on (03) 8544 9000 or Alex McPherson on (02) 9455 1500.

Yours sincerely



Robert McMillan
General Manager Regulation
Jemena Limited